

This record is a partial extract of the original cable. The full text of the original cable is not available.

081530Z Oct 04

S E C R E T SECTION 01 OF 03 LAGOS 002068

SIPDIS

NOFORN

STATE FOR AF/W  
STATE FOR EB  
STATE FOR DRL  
STATE PASS DOE FOR DAS JBRODMAN  
STATE PASS TRANSPORTATION MARAD

E.O. 12958: DECL: 10/06/2014

TAGS: [ELAB](#) [PGOV](#) [NI](#) [PHUM](#) [EPET](#)

SUBJECT: NIGERIA: PRELUDE TO POSSIBLE NATIONAL STRIKE

REF: A. LAGOS 1969

[1](#)B. LAGOS 2042

[1](#)C. ABUJA 1011

Classified By: Consul General Brian L. Browne per 1.4 b and d

This is a joint Consulate Lagos - Embassy Abuja Cable

[1](#)1. (S/NF) Summary: Barring a last-minute breakthrough in tense, on again, off again talks between the GON and the National Labor Congress (NLC), the stage is set for a nationwide "stay-at-home" on Monday, October 11. All major unions have announced their intention to honor the strike protesting a recent fuel price hike (ref A). The strike's sustainability or the level of violence it may engender is unpredictable at this point. GON security forces have been advised to quickly thwart any demonstrations. Posts held EAC meetings on October 6 and 10 and are taking appropriate precautionary measures (refs B and C). In an unrelated event that nonetheless adds to the climate of tension, Nigerian employees of Royal Dutch Shell began a two-day strike October 7, protesting company-wide downsizing. Shell's oil production has not been affected. End Summary.

-----  
GON - Labor Talks Deadlock  
-----

[1](#)2. (U) In an effort to avert the national stay-at-home, the Ministry of Labor called a meeting October 6 with representatives from the NLC, the Nigerian National Petroleum Corporation (NNPC), and the Nigeria Employer's Consultative Association (NECA). Total and other independent oil companies also attended. The talks ended abruptly when NLC President Oshimohole objected to what he termed only "low level" government representation. The NLC insisted Ministerial level GON representation was needed for meaningful negotiations.

[1](#)3. (U) In addition to the talks convened by the ministry of labor, the federal Senate Committee on Employment Labour and Productivity began closed-door negotiations with the NLC, the Petroleum Products Pricing Regulatory Agency (PPRA) and the NNPC on October 6. The House of Representatives unanimously called on the government to revert to the old fuel price and on the NLC to call off the strike until a compromise could be reached.

[1](#)4. (C) While President Obasanjo is doing everything he can (short of compromise) to avert the strike, a source in the Presidency says that the pressure on Obasanjo to roll back the price increases is growing among many of his closest confidants, both politicians and businessmen. The source speculates that the negative publicity a strike will generate for Nigeria and the record price of oil on the international market have swayed the opinions of this group of advisors.

-----  
Who's For A Strike? We All Are, At Least Rhetorically  
-----

[1](#)5. (U) All three major labor federations - The Nigeria Labor Congress, Trade Union Congress (TUC), and Center for Free Trade Unions (CFTU) - have announced their support for the strike. Many civic, student, and professional organizations have also publicly endorsed the "stay-at-home" call. We have also heard reports of student groups in some southern areas such as Lagos State and Delta State, holding "warm-up" strikes. Some oil service companies in Warri, for example, suspended operations on October 6, due to one such pre-strike.

(Comment: The fuel price hike is universally reviled and President Obasanjo's popularity is flagging. It is thus no surprise that so many unions/organizations have announced their support for the strike. However, it remains to be seen

how long a "stay-at-home" can be sustained. The fuel price controversy has served as a rallying point for many Nigerians who are frustrated with the government on issues not solely related to the price hike.)

16. (U) In practical terms, we expect most public educational institutions to close or have limited operations on Monday. Local contacts say food markets will likely be closed during the day, with some opening at night for those who "forgot to stock up." Financial institution contacts are expecting staff to report to work, but banks may not fully open to the public, due to concern about possible violence. The stock exchange expects to trade normally. The strike's impact on manufacturing companies will likely vary by company and by geographic location. Oil companies report they plan to operate normally. (Note: Most of the oil companies are located on self-contained compounds and/or are off-shore. End Note.)

-----  
Labor Pulling Out All Stops To Make Sure Strike Holds  
-----

17. (U) Desperate to ensure the strike's success, the NLC has issued detailed "mobilization" instructions to its 36 state councils. Several symposiums have been held in the Lagos area in the run-up to the strike in order to "sensitize" the public. On October 6, the NLC began distributing T-shirts, badges, leaflets, and handbills to communities in the Lagos area. NLC leader Benson Ukpa expressed to Abuja poloffs his satisfaction with pre-strike preparations and claimed that "all of Nigeria" supported the NLC in this strike.

18. (C) Comment: The NLC, hurt by Senate approval of a new labor bill and a federal court decision that claimed the NLC does not have the authority to call on strike on fuel taxes is doing its best to ensure the strike happens. Adherence to the stay-at-home is as much a referendum on public support for the NLC as it is on the government's decision to raise fuel prices.

-----  
GON Won't Brook Demonstrations  
-----

19. (S/NF) GON security contacts told Embassy Abuja that the security presence in Abuja, Lagos, and other flashpoints would be increased in anticipation of the strike. RMSA reports that GON security services have been ordered to quickly thwart any violent demonstrations.

110. (C) To forestall flight disruptions at Murtala Muhammed International Airport (MMIA) during the protest, aviation authorities have put in place several contingency plans. According to a Federal Aviation Authority of Nigeria (FAAN) official, Air Force personnel and FAAN security personnel will be placed in strategic areas around the airport. Authorities have also arranged for the transportation and accommodation of air traffic controllers during the stay-at-home. (Comment: We expect international flights to continue operations. Domestic flights are less certain, particularly should the strike last longer than a few days. End Comment.)

-----  
Preparations - Batten Down The Hatches,  
Stock Up on Money and Food  
-----

11. (U) Bank contacts reported cash withdrawals have increased significantly as clients anticipate the need to make substantial purchases of food and other supplies over the weekend. Many banks said they were considering opening over the weekend to meet the extra demand.

12. (C) As reported refs b and c, the Mission is also taking precautionary measures of assuring adequate fuel supply for generators and motor vehicles and preparing a warden message alerting the non-official community to increase their security posture as warranted. Both American schools will be closed on Monday.

-----  
Nigerian Shell Workers Stage Unrelated  
Warning Strike; Oil Production Not Affected  
-----

13. (SBU) In an unrelated event, Nigerian employees of Royal Dutch/Shell began a two-day "warning strike" October 7, protesting long-planned company-wide downsizing. Shell announced in March 2004 it planned to streamline its operations in Nigeria. According to the press, oil union workers oppose the offerered severance package and allege Shell is skewing jobs in favor of expatriates. A Shell External Relations representative in Port Harcourt confirmed that there is no connection between the Shell strike and the

proposed NLC strike. He also confirmed that oil production has not been affected.  
BROWNE